

**HOME INSPECTOR ADVISORY COMMITTEE
1400 EAST WASHINGTON AVENUE, MADISON, WI
MINUTES
OCTOBER 13, 1998**

PRESENT: Jerome Baumgardt, Larry Engen, Robert Epps, William Arnold, Mark Jankowski, Norbert Lovata, Richard Staff and Mark Thomas

EXCUSED: Gina Gruba

STAFF PRESENT: Secretary Marlene Cummings, Cletus Hansen and Jacquelynn Rothstein

GUESTS: Attorney Mary Slattery

CALL TO ORDER

The meeting was called to order at 9:35 a.m. by Cletus Hansen, Administrator of the Division of Business Licensure and Regulation.

AGENDA

The agenda was approved by consensus.

MINUTES (9/10/98)

MOTION: Rick Staff moved, seconded by Larry Engen, to approve the minutes as written. Motion carried unanimously.

ADMINISTRATIVE REPORT

Cletus Hansen referred to additional handouts: several pages from Wisconsin's Administrative Rulemaking Manual concerning emergency rulemaking requirements, a memorandum from Rick Staff concerning additional amendments to the proposed rules and a copy of a news article regarding HUD's Homebuyer Protection Plan.

EXAMINATION

Exam Center Director, Barbara Showers, reported on the examinations which already have been administered and she reported on the preparation of a Request For Proposals (RFP) which her office will send to prospective bidders on October 23, 1998. Specific issues discussed were the following:

- Exam results: 2 out of 215 persons have failed the Part I Exam.
- Beginning in November, the exam will be given the second Saturday of each month.
- The practice and rules exam should be ready by January 2000.
- Beginning in 2001, the exam will be a one-part exam.

- The RFP will ask for computer-based testing, an exam of 200 questions, and a 4-hour testing time.
- She also explained how the exam is written and how the passing score is determined.

STANDARDS OF PRACTICE

Committee members discussed the suggestions offered by Rick Staff in his memo of October 12, 1998. He suggested revisions to the definition of “material adverse fact.” Considerable discussion focused on the following proposed language: “Significantly reducing the functionality or structural integrity of a component or systems of the improvements to the property being inspected” and “poses a significant health or safety risk to occupants to the improvements.” Secretary Marlene Cummings said that she would give more consideration as to whether “health and safety” should be used, or just “safety.” Jacquelynn Rothstein will also insert language concerning a “reasonable party” concluding that a condition or occurrence is a material adverse fact. Finally, there was some discussion about the use of the terms “structural integrity,” “serviceable condition,” or “integrity of structural components.” One of the paragraphs in the rule should read something like: “Significantly reducing the integrity of the structural components of the dwelling unit.”

Other suggestions related to the following sections of the rule proposal:

RL 134.02 (1), 134.02 (2) & (3), and 134.02 (3). Minor technical suggestions were accepted.

RL 134.02 (5) (a) 5. What is an “areaway.” Conclusion: remove the term.

RL 134.02 (5) (c) 5, relating to the inspection of observable vapor barriers. Rick Staff dropped this issue.

RL 134.02 (6) (c) 5, relating to an inspector checking the water supply quantity. Jacquelynn Rothstein will change the definition of water supply to mean the rate of water flow from a well or a municipal water source.

RL 134.02 (7) (c) 4, relating to inspectors testing the smoke detectors to determine whether the power source is functioning.

MOTION: Rick Staff moved, seconded by Bob Epps, that the rules require that the home inspector state in writing, no later than when giving his or her report, either that the smoke detectors have not been tested and the consumer should check it or a statement that the power source is functioning at the time of the inspection. Motion unanimously passed.

RL 134.02 (9) (c) 4, relating to testing electronic air filters. Conclusion: Rick Staff dropped the issue.

RL 134.03 (1) (e), relating to disclosure of material adverse facts. Informally agreed that Jacquelynn Rothstein will re-phrase the disclosure requirement something to say something like: “the home inspector shall list any material adverse facts that a home inspector has knowledge or has observed.” The words “Which suggests the possibility of” in Rick Staff’s memo will be left

out. Also, Rick Staff's sentence concerning the home inspector not being required to retain inspectors or investigators to perform follow-up inspections, etc., will be added at the end of s. RL 134.03.

Bill Arnold suggested that the rules should require a written contract which includes the price, the content of the product and the date of completion. This issue was discussed and the committee informally agreed to not include a requirement for a written contract.

Suggestions of other committee members:

On page 14, #6 at top of page, change "observe" to "test."

NEXT MEETING

Clete Hansen announced that the date of the next meeting is uncertain. It might well be held on the date of the hearing on the proposed rules, sometime in November or December. Clete Hansen agreed to send a copy of the rule proposal to committee members as soon as it is finalized and to send a copy to all registered home inspectors.

ADJOURNMENT

MOTION: Larry Engen moved, seconded by Mark Jankowski, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 12:05 p.m.